AMENDED IN SENATE JUNE 26, 2013 AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 654

Introduced by Assembly Member Hall

(Principal coauthor: Senator Evans)

February 21, 2013

An act to amend Section 19817 of the Business and Professions Code, and to amend Section 12012.85 of the Government Code, relating to gaming. An act to amend Sections 47021 and 47026 of, to amend the heading of Article 4 (commencing with Section 47025) of Chapter 10.5 of Division 17 of, and to add the heading of Article 3.5 (commencing with Section 47022) to Chapter 10.5 of Division 17 of, the Food and Agricultural Code, relating to direct marketing of agricultural products.

LEGISLATIVE COUNSEL'S DIGEST

AB 654, as amended, Hall. Gambling. Direct marketing: certified farmers' markets.

(1) Existing law requires, until January 1, 2014, that every operator of a certified farmers' market remit to the Department of Food and Agriculture a fee equal to the number of certified producer certificates and other agricultural producers participating on each market day for the entire previous quarter to be deposited in the Department of Food and Agriculture Fund and used by the department, upon appropriation by the Legislature, as specified.

This bill would extend these provisions until January 1, 2018.

(2) Existing law provides that California farmers may transport for sale and sell California-grown fresh fruits, nuts, and vegetables that

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they produce, directly to the public at a certified farmers' market, as specified. Existing law provides that it is unlawful for any person operating under these provisions to commit certain acts related to the conduct of farmers' markets, including to deceptively prepare, pack, place, deliver, load, ship, transport, or sell those products. Existing law, until January 1, 2014, provides that in lieu of prosecution, but not precluding suspension or revocation of certified producer's certificates or certified farmers' market certificates, the Secretary of Food and Agriculture or a county agricultural commissioner may levy a civil penalty against a person who violates these provisions or any regulation implemented pursuant to these provisions, as specified.

This bill would extend the provision authorizing the civil penalty until January 1, 2018.

(3) This bill would also make clarifying changes.

Existing law establishes the California Gambling Control Commission and requires the commission to establish a Gaming Policy Advisory Committee composed of representatives of controlled gambling licensees and members of the general public. Existing law requires the executive director of the commission to convene this advisory committee, from time to time, for the purpose of discussing recommended controlled gambling regulatory policy.

This bill would require the advisory committee to meet at least twice per year, and would require the commission to consult with the committee on recommended proposed regulations.

Existing law permits specified federally recognized Indian tribes to conduct gaming on Indian lands in California pursuant to compacts negotiated by the Governor and ratified by the Legislature. Existing law creates the Indian Gaming Special Distribution Fund for the receipt of moneys received by the state from the tribes conducting gaming according to the terms established by the compacts, which moneys are available for appropriation by the Legislature for specified purposes.

This bill would make nonsubstantive, technical changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 47021 of the Food and Agricultural Code 2 is amended to read: -3- AB 654

47021. (a) Every operator of a certified farmers' market shall remit to the department, within 30 days after the end of each quarter, a fee equal to the number of certified producer certificates and other agricultural producers participating on each market day for the entire previous quarter. The fee shall be established by January 1 of each year by the department upon the receipt of a budget recommendation from the advisory committee. The fee shall not exceed sixty cents (\$0.60) for each certified producer certificate and other agricultural producers participating on each market day. A certified farmers' market may directly recover all or part of the fee from the participating certified and other agricultural producers.

- (b) Any operator of a certified farmers' market who fails to pay the required fee within 30 days after the end of the quarter in which it is due, shall pay to the department a monthly interest charge on the unpaid balance and a late penalty charge, to be determined by the department and not to exceed the maximum amount permitted by law.
- (c) All fees collected pursuant to this section shall be deposited in the Department of Food and Agriculture Fund. The money generated by the imposition of the fees shall be used, upon appropriation by the Legislature, by the department, to cover the reasonable costs to carry out this chapter, including all of the following actions undertaken by the department:
 - (1) The coordination of the advisory committee.
- (2) The evaluation of county enforcement actions and assistance with regard to multiple county enforcement problems.
 - (3) The adoption of regulations to carry out this chapter.
- (4) Hearing appeals from actions taken by county agricultural commissioners to enforce this chapter.
- (5) The review of rules or procedures established by a certified farmers' market and the issuance of advisory opinions and the provision of informal hearings pursuant to Section 47004.1 as to whether the rules or procedures are consistent with this chapter and implementing regulations.
- (6) The maintenance of a current statewide listing of certified farmers' markets with schedules of operations and locations.
- (7) The maintenance of a current statewide listing of certified producers.

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(8) The dissemination to all certified farmers' markets information regarding the suspension or revocation of any producer's certificate and the imposition of administrative penalties.

- (9) Other actions, including the maintenance of special fund reserves, that are recommended by the advisory committee and approved by the department for the purpose of carrying out this chapter.
- (d) This section shall remain in effect only until January 1, 2014, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, 2018, deletes or extends that date.
- SEC. 2. The heading of Article 3.5 (commencing with Section 47022) is added to Chapter 10.5 of Division 17 of the Food and Agricultural Code, to read:

Article 3.5. Violations

SEC. 3. The heading of Article 4 (commencing with Section 47025) of Chapter 10.5 of Division 17 of the Food and Agricultural Code is amended to read:

Article 4. Violations and Enforcement

SEC. 4. Section 47026 of the Food and Agricultural Code is amended to read:

47026. This article shall remain in effect only until January 1, 2014, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2014, 2018, deletes or extends that date.

SECTION 1. Section 19817 of the Business and Professions Code is amended to read:

19817. The commission shall establish and appoint a Gaming Policy Advisory Committee of 10 members. The committee shall be composed of representatives of controlled gambling licensees and members of the general public in equal numbers. The executive director shall, at least twice per year, convene the committee for the purpose of discussing matters of controlled gambling regulatory policy and any other relevant gambling-related issue. The commission shall consult with the committee on proposed

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regulations. The recommendations concerning gambling policy and proposed regulations made by the committee shall be presented to the commission, but shall be deemed advisory and not binding on the commission in the performance of its duties or functions. The committee shall not advise the commission on Indian gaming. SEC. 2. Section 12012.85 of the Government Code is amended to read:

12012.85. There is hereby created in the State Treasury a fund ealled the "Indian Gaming Special Distribution Fund" for the receipt and deposit of moneys received by the state from Indian tribes pursuant to the terms of tribal-state gaming compacts. These moneys shall be available for appropriation by the Legislature for the following purposes:

- (a) Grants, including any administrative costs, for programs designed to address gambling addiction.
- (b) Grants, including any administrative costs, for the support of state and local government agencies impacted by tribal government gaming.
- (c) Compensation for regulatory costs incurred by the State Gaming Agency and the Department of Justice in connection with implementing and administering tribal-state gaming compacts.
- (d) Payment of shortfalls that may occur in the Indian Gaming Revenue Sharing Trust Fund. This shall be the priority use of moneys in the Indian Gaming Special Distribution Fund.
- (e) Disbursements for the purpose of implementing the terms of tribal labor relations ordinances promulgated in accordance with the terms of tribal-state gaming compacts ratified pursuant to Chapter 874 of the Statutes of 1999. No more than 10 percent of the funds appropriated in the Budget Act of 2000 for implementation of tribal labor relations ordinances promulgated in accordance with those compacts shall be expended in the selection of the Tribal Labor Panel. The Department of Human Resources shall consult with and seek input from the parties prior to any expenditure for purposes of selecting the Tribal Labor Panel. Other than the cost of selecting the Tribal Labor Panel, there shall be no further disbursements until the Tribal Labor Panel, which is selected by mutual agreement of the parties, is in place.
 - (f) Any other purpose specified by law.
- (g) Priority for funding from the Indian Gaming Special Distribution Fund is in the following descending order:

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1 (1) An appropriation to the Indian Gaming Revenue Sharing 2 Trust Fund in an aggregate amount sufficient to make payments of any shortfalls that may occur in the Indian Gaming Revenue 3 4 **Sharing Trust Fund.**

- (2) An appropriation to the Office of Problem and Pathological Gambling within the State Department of Alcohol and Drug Programs for problem gambling prevention programs.
- 8 (3) The amount appropriated in the annual Budget Act for 9 allocation between the Department of Justice and the California 10 Gambling Control Commission for regulatory functions that directly relates to Indian gaming.
- 12 (4) An appropriation for the support of local government 13 agencies impacted by tribal gaming.